

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
Second Regular Session  
2008

## **HOUSE BILL 2614**

### **AN ACT**

AMENDING TITLE 42, CHAPTER 12, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-12056; AMENDING SECTION 42-14155, ARIZONA REVISED STATUTES; AMENDING LAWS 2000, CHAPTER 214, SECTION 8; RELATING TO RENEWABLE ENERGY EQUIPMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Title 42, chapter 12, article 2, Arizona Revised Statutes,  
3 is amended by adding section 42-12056, to read:

4       42-12056. Renewable energy systems valuation; definition

5       A. FOR PROPERTIES SUBJECT TO THIS CHAPTER AND THAT ARE CLASS THREE AS  
6 DEFINED IN SECTION 42-12003 OR CLASS FOUR AS DEFINED IN SECTION 42-12004,  
7 RENEWABLE ENERGY SYSTEMS AND ANY OTHER DEVICE OR SYSTEM DESIGNED PRIMARILY  
8 FOR THE PRODUCTION OF RENEWABLE ENERGY IN WHICH THE MAJORITY OF THE ENERGY IS  
9 CONSUMED ON-SITE, ARE CONSIDERED TO ADD NO VALUE TO THE PROPERTY.

10     B. FOR THE PURPOSES OF THIS SECTION, "RENEWABLE ENERGY SYSTEMS" MEANS  
11 ELECTRIC GENERATION SYSTEMS AND ELECTRIC TRANSMISSION AND DISTRIBUTION THAT  
12 IS USED OR USEFUL FOR THE GENERATION, STORAGE, TRANSMISSION OR DISTRIBUTION  
13 OF ELECTRIC POWER, ENERGY OR FUEL DERIVED FROM SOLAR, WIND OR OTHER  
14 NONPETROLEUM RENEWABLE SOURCES, INCLUDING MATERIALS AND SUPPLIES.

15     Sec. 2. Section 42-14155, Arizona Revised Statutes, is amended to  
16 read:

17       42-14155. Valuation of renewable energy equipment; definition

18       A. Through December 31, ~~2011~~ 2040, the department shall determine the  
19 valuation of taxable renewable energy equipment in the manner prescribed by  
20 this section.

21       B. The value of renewable energy equipment is twenty per cent of the  
22 depreciated cost of the equipment.

23       C. For the purposes of this section, "renewable energy equipment"  
24 means electric generation facilities, electric transmission, electric  
25 distribution, gas distribution or combination gas and electric transmission  
26 and distribution and transmission and distribution cooperative property that  
27 is located in this state, that is used or useful for the generation, storage,  
28 transmission or distribution of electric power, energy or fuel derived from  
29 solar, wind or other nonpetroleum renewable sources not intended for  
30 self-consumption, including materials and supplies and construction work in  
31 progress, but excluding licensed vehicles and property valued under sections  
32 42-14154 and 42-14156.

33       Sec. 3. Laws 2000, chapter 214, section 8 is amended to read:

34       Sec. 8. Renewable energy equipment; reports

35       A. The department of commerce energy office shall compile information  
36 regarding the investment in, and use of, renewable energy equipment as  
37 defined in section 42-14155, Arizona Revised Statutes, ~~as added by this act~~,  
38 in this state and the amount of electricity produced from such equipment.  
39 The energy office shall report the information compiled on renewable energy  
40 equipment to the governor, the president of the senate and the speaker of the  
41 house of representatives on or before the last day of every fifth fiscal  
42 year, beginning with fiscal year 2005, to provide a basis for evaluating the  
43 effectiveness of ~~the provisions of this act~~ LAWS 2000, CHAPTER 214 in  
44 promoting the use of such equipment.

45       B. ~~Unless otherwise repealed, section 42-14155, Arizona Revised~~  
46 ~~Statutes, is repealed as of December 31, 2011.~~